REMARKS

The Office Action dated April 26, 2006, has been received and carefully noted. The above amendments to the claims, and the following remarks, are submitted as a full and complete response thereto.

Claims 1, 3, 17, 19-22, 24, and 26-31 are currently pending in the application, of which claim 1 is an independent claim. Claims 1, 3, 17, 19-22, 24, and 26-31 have been amended to more particularly point out and distinctly claim the invention. No new matter has been added. Claims 1, 3, 17, 19-22, 24, and 26-31 are respectfully submitted for consideration.

Rejection under 35 U.S.C. 112, first paragraph

Claim 31 was rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the enablement requirement. The Office Action alleged that the specification does not adequately teach how to linearise the output of the acceleration sensor with respect to a change in capacitance by selecting a number of pairs of electrodes and their orientations. Applicant respectfully traverses this rejection.

Applicant asserts that paragraphs [0053] to [0055] of the specification detail how pairs of electrodes can be used to linearise the capacitance change. The specification also details how pairs of electrodes can be used as redundant sensors. In both cases, Applicant asserts that it would be clear, to one of ordinary skill in the art, how to use the pairs of electrodes to linearise the capacitance change. M.P.E.P. 2164 details that

"detailed procedures for making and using the invention may not be necessary if the description of the invention itself is sufficient to permit those skilled in the art to make and use the invention." As such, Applicant submits that the limitations in claim 31 are fully enabled by the description and requests reconsideration and withdrawal of the rejection.

Applicant respectfully submits that one of ordinary skill in the art would understand how to select pairs of electrodes and their orientations, such that the pairs of electrodes would be linearised with respect to a change in capacitance, based on the disclosure of the specification cited above and the knowledge of one of ordinary skill in the art. Applicant respectfully notes that Applicant is entitled to rely on the knowledge of one of ordinary skill in the art for purposes of enablement. As indicated by *In re Fisher*, 427 F.2d 833, 166 USPQ 18 (CCPA 1970), the amount of guidance or direction needed to enable the invention is inversely related to the amount of knowledge in the state of the art. As MPEP 2164.04 indicates, the burden to provide a reasonable basis to question enablement is on the Examiner. Applicant respectfully submits that asserting that the claim is not enabled does not qualify as a "reasonable basis."

The Office Action responded that the specification does not indicate how the pairs of electrodes can be used for linearization of the capacitive change. What is noticeably absent from the Office Action's argument is any evidence or even assertion that one of ordinary skill in the art would not know how the pairs of electrodes can be used for linearization of the capacitive change. The Office Action cannot assert that the claim is

not enabled, if the Office Action does not assert that one of ordinary skill in the art would not know how to make and use the claimed invention.

Indeed, the Office Action's response bolster's Applicant's argument for enablement, because the Office Action states that there are "numerous ways of linearizing the output of an acceleration sensor." The Office Action even proposes three alternatives: "capacitor plate geometry, suitable electronics, or computer assisted treatment of the sensor element measurement data." The Office Action, however, did not take the position that these techniques were beyond the ability of one of ordinary skill in the art, and, in fact, they are within the ability of one of ordinary skill in the art. Accordingly, the Office Action's argument helps support Applicant's position that claim 31 is fully enabled. Accordingly, it is respectfully requested that this rejection be withdrawn.

Rejections under 35 U.S.C. 112, second paragraph

Claims 1, 3, 17, 19-22, 24, and 26-31 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite. The Office Action asserted that "the position of the at least one pair of electrodes is selected symmetrically in relation to an axis or axes of symmetry" in claim 1 is unclear. Claim 1 has been amended, and it is respectfully submitted that the amendment to claim 1 renders this rejection moot.

The Office Action also stated that "comprising" in claim 3 should be "consisting of." The Office Action cited *In re Dotter*, 12 USPQ 382 (Board of App. 1931) which is quoted by MPEP 2173.05(h). Applicant respectfully traverses this rejection.

Applicant respectfully disagrees with the Office Action's analysis. MPEP 2173.05(h) is merely stating in shorthand that "a group comprising" cannot be substituted for "a group consisting of." *See*, *Dotter* at 384-85 ("Claim 17 includes the expression, "loose granules of a natural material of the group comprising wood and grain.") Applicant has not chosen to use the term "group" and thus nothing is made indefinite by Applicant's use of "comprising." Accordingly, it is respectfully requested that this rejection be withdrawn.

Rejections under 35 U.S.C. 102(b)

Claims 1, 17, 19-22, 24, 26-28, and 30 were rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 5,723,790 of Andersson ("Andersson"). Applicant respectfully submits that the claims recite subject matter that is neither disclosed nor suggested in Andersson.

Claim 1, upon which claims 3, 17, 19-22, 24, and 26-31 depend, is directed to a capacitive acceleration sensor. The capacitive acceleration sensor includes a pair of electrodes including a movable electrode that is responsive to acceleration, at least one stationary plate portion, and an axis of rotation. The movable electrode is rigidly supported at the axis of rotation and is free to rotate about the axis of rotation. The

position of the pair of electrodes is arranged symmetrically. The capacitive acceleration sensor also includes at least three additional pairs of electrodes. The at least three additional pairs of electrodes are of similar structure to the pair of electrodes. The at least three additional pairs of electrodes and the pair of electrodes are configured to together provide multi-axis acceleration sensing using capacitive principles. Negative direction vectors of at least four movable electrodes intersect at essentially one point.

Applicant respectfully submits that Andersson does not disclose or suggest all of the elements of any of the presently pending claims.

Andersson generally relates to a monocrystalline accelerometer and angular rate sensor. Andersson, as can be seen from column 11, lines 21-34 essentially detects acceleration based on piezoelectric and vibrating gyro principles, not capacitive principles.

Claim 1 recites, "A capacitive acceleration sensor." Andersson does not disclose or suggest a capacitive acceleration sensor, but instead describes sensing acceleration using piezoelectric and vibrating gyro principles. Moreover, lest it be objected that "A capacitive acceleration sensor" is in the preamble, claim 1 also recites, "wherein the at least three additional pairs of electrodes and the pair of electrodes are configured to together provide multi-axis acceleration sensing using capacitive principles." Accordingly, Andersson does not and cannot provide these features of claim 1, and Andersson is not even analogous art to what is claimed.

As explained in MPEP 2141.01(a)(V), when the technical solutions are radically different and inconsistent as they were in *Wang Laboratories, Inc. v. Toshiba Corp.*, 993 F.2d 858, 26 USPQ2d 1767 (Fed. Cir. 1993), the references cannot fairly be said to be in the "same field of endeavor." Here, the approach of Andersson is radically different from and inconsistent with the claimed approach to measuring acceleration, and thus it is not from the same field of endeavor and is nonanalogous art. Accordingly, it is respectfully requested that this rejection be withdrawn.

Claims 17, 19-22, 24, 26-28, and 30 depend from claim 1 and recite additional limitations. Accordingly, it is respectfully submitted that each of claims 17, 19-22, 24, 26-28, and 30 recites subject matter that is neither disclosed nor suggested by Andersson. Accordingly, it is respectfully requested that the rejection of all of claims 1, 17, 19-22, 24, 26-28, and 30 be withdrawn.

Rejections under 35 U.S.C. 103(a)

Claims 3 and 30-31 were rejected under 35 U.S.C. 103(a) as being unpatentable over Andersson in view of no other reference. The Office Action took the position with regard to claim 3 that the only difference between the claimed invention and Andersson was the shape of the device. The Office Action took the position with regard to claims 30-31 that the additional undisclosed features of those claims would have been obvious. Applicant respectfully traverses these rejections.

The Office Action relied, in support of the rejection of claim 3, on *In re Dailey*, 357 F.2d 669, 149 USPQ 47 (CCPA 1966) (The court held that the configuration of the claimed disposable plastic nursing container was a matter of choice which a person of ordinary skill in the art would have found obvious absent persuasive evidence that the particular configuration of the claimed container was significant.). In re Dailey, is not applicable here, because there is evidence in the specification that the shape of the electrodes is significant. See, for example, paragraph 0048 of the specification. Accordingly, one of ordinary skill in the art would not have found the additional recitations of claim 3 obvious. Therefore, Applicant respectfully submits that claim 3 should be found to be patentable.

With regard to claims 30 and 31, the Office Action asserted that it the further recitations of those claims would have been obvious, but did not provide any evidence thereof, nor did the Office Action take Official Notice of such facts. Accordingly, Applicant respectfully submits that there is no basis upon which such a rejection can be upheld. Applicant respectfully submits that, with regard to the additional recitations of claims 30 and 31, the matter therein is not such as would be "capable of instant and unquestionable demonstration," as required for proper Official Notice by MPEP 2144.02(A), within the art of capacitive acceleration sensors. On the contrary, redundant sensors seem to be contrary to such normal design considerations as cost and size, and linearization as well would seem to be something that would be contrary to such normal design considerations as cost and simplicity. So, even if Official Notice were implicitly

taken, Applicant respectfully traverses this Official Notice and requests that evidence be provided to support the assertions contained in the Office Action.

Moreover, Andersson does not disclose all of the elements of claims 3 and 30-31 because it does not disclose or suggest all of the elements of claim 1, upon which claims 3 and 30-31 depend. Additionally, Andersson is nonanalogous art, and thus would not be referred to by one of ordinary skill in the art of capacitive acceleration sensors in order to make such a sensor. Thus, Andersson cannot render claims 3 and 30-31 obvious under 35 U.S.C. 103(a). Accordingly, it is respectfully requested that the rejections of claims 3 and 30-31 be withdrawn.

Claims 24 and 26-28 were rejected under 35 U.S.C. 103(a) as being unpatentable over Andersson in view of U.S. Patent No. 5,892,154 of Negoro ("Negoro"). The Office Action took the position that Andersson teaches all of the features of the claims except the number of pairs of electrodes. The Office Action cited Negoro to remedy the deficiencies of Andersson. Applicant respectfully traverses this rejection.

Claims 24 and 26-28 depend from claim 1 and recite additional limitations. The deficiencies of Andersson with regard to claim 1 are discussed above. Andersson cannot be used to show obviousness of the claimed invention, because Andersson is both non-analogous art to the present invention, and because Andersson is non-analogous art to Negoro.

Negoro generally relates to an acceleration detection device. As can be seen from Figure 4 of Negoro, Negoro discloses a capacitive sensor. In the particular embodiment

shown in Figure 4, a pair of fixed electrodes 8A and 8B and a pair of moveable electrodes 7A and 7B are provided. As explained at column 9, lines 47-67, in Negoro, as the moveable electrodes 7A and 7B get closer to their respective fixed electrodes 8A and 8B, a corresponding electrostatic capacitance C1 and C2 increases. This capacitive method is non-analogous to and totally inconsistent with the piezoelectric and vibrating gyro techniques of Andersson. Thus, one of ordinary skill in the art would not be motivated to combine Andersson and Negoro, because they are non-analogous and from different fields of endeavor. Accordingly, it is respectfully requested that this rejection be withdrawn.

Claim 29 was rejected under 35 U.S.C. 103(a) as being unpatentable over Andersson in view of U.S. Patent No. 4,736,629 of Cole ("Cole"). The Office Action took the position that Andersson teaches all of the elements of claim 29 except "measuring different ranges of acceleration." The Office Action cited Cole to remedy this deficiency of Andersson.

Claim 29 depend from claim 1 and recites additional limitations. The deficiencies of Andersson with regard to claim 1 are discussed above. Andersson cannot be used to show obviousness of the claimed invention, because Andersson is both non-analogous art to the present invention, and because Andersson is non-analogous art to Cole.

Cole generally relates to a micro-miniature accelerometer. As can be seen from Figure 7 and column 8, lines 27 of Cole, Cole discloses a capacitive sensor. As Cole explains, variable capacitance CA represents the capacitance between a moveable plate

(one of the beams of the embodiments shown in Figures 5 and 6 of Cole) and one of the plates fixed on the substrate, which CB represents the capacitance between the other moveable plate and the other fixed plate. This capacitive method is non-analogous to and totally inconsistent with the piezoelectric and vibrating gyro techniques of Andersson. Thus, one of ordinary skill in the art would not be motivated to combine Andersson and Negoro, because they are non-analogous and from different fields of endeavor. Accordingly, it is respectfully requested that this rejection be withdrawn.

Claims 1, 3, 17, 19-22, 24, 26-28, and 30-31 were rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,862,795 of Mohan ("Mohan") in view of Andersson. The Office Action took the position that the only difference between Mohan and what is claimed is the arrangement of the moveable electrodes. The Office Action cited Andersson to remedy this deficiency of Mohan. Applicant respectfully traverses this rejection.

Mohan is not proper prior art to show obviousness. Mohan was published on March 8, 2005, on an application filed June 17, 2002. The present application was filed on February 10, 2004, and claims the priority of Finnish Patent Application FI-2003027, filed February 11, 2003. Accordingly, Mohan is only available as a reference, if at all, under 35 U.S.C. 102(e). Moreover, both Mohan and the present application were subject to obligation of assignment to the same entity, VTI Technologies Oy, at the time of the invention. The assignment of Mohan to VTI Holding Oy was recorded on November 15, 2002, at Reel 013496, Frame 1033. VTI Holding Oy is the parent company of VTI

Technologies Oy, as can be seen from enclosed printout from VTI's web site. Accordingly, it is respectfully submitted that 35 U.S.C. 103(c) bars the use of Mohan to show obviousness of the claims of the present application under 35 U.S.C. 103(a).

Because the rejection requires Mohan, and because Mohan is not a proper reference in this situation, it is respectfully submitted that this rejection is moot, and it is respectfully requested that this rejection be withdrawn.

Moreover, as noted above, Andersson is non-analagous art both to the present invention and to Mohan. Accordingly, even if Mohan were proper prior art (not admitted), Andersson would not be combined by one of ordinary skill in the art with Mohan, because Mohan is directed to a capacitive acceleration sensor as can be seen from Figure 22 of Mohan. Accordingly, it is respectfully requested that this rejection be withdrawn.

Conclusion

For the reasons explained above, it is respectfully submitted that each of claims 1, 3, 17, 19-22, 24, and 26-31 recites subject matter that is neither disclosed nor suggested in the cited art, that Andersson is non-analogous art, that Mohan is unavailable to show obviousness, and that each of the claims is definite and enabled. Therefore, it is respectfully requested that all of claims 1, 3, 17, 19-22, 24, and 26-31 be allowed, and that this application be passed to issue.

If for any reason the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact, by telephone, Applicant's undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event this paper is not being timely filed, Applicant respectfully petitions for an appropriate extension of time. Any fees for such an extension together with any additional fees may be charged to Counsel's Deposit Account 50-2222.

Respectfully submitted,

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Enclosures: Printout of VTI web page
Petition for Extension of Time

Press Releases

Feb 14, 2006

VTI Technologies Oy's Financial Statements for 2005

- Net sales in 2005 were 74.7 million euros, 20.7% up on the year before.
- Operating income before depreciation and goodwill amortization (EBITDA) was 11.3 million euros, 8.7% up on the previous year.
- Demand for Electronic Stability Control (ESC) products for the automotive industry was good.
- Demand for accelerometers for pacemakers was good.
- Investment in R&D and engineering was 12.3 million euros, 16.5% of net sales and up 29.0% on the year before.
- To prepare for the expected growth in demand, VTI invested in new office and production facilities.
- In 2005, VTI recruited 135 new people.
- VTI prepared for growing business in Asia by opening a sales office in Shanghai and establishing a joint venture in Beijing.

Net sales

Net sales of the VTI Group in 2005 increased 20.7 % to 74.7 (61.9) million euros. Net sales of the Automotive Business Unit increased 16.6 % to 67.6 (58.0) million euros. Net sales of the Sensing Solutions Business Unit increased 81.2 % to 7.1 (3.9) million euros. Design wins were achieved, although production did not start yet.

Exports and overseas operations accounted for 99.8 % (99.8 %). The main export countries are Germany, Japan and USA.

Result

Gross profit of the VTI Group was 26.0 (21.0) million euro representing 34.8 % (33.9 %) of net sales. Gross profit was 5.0 million euro higher than the year before, which is an outcome of higher volumes and an increase in productivity. Production capacity was increased both in Vantaa and in the Mexico plant.

The operating result of the Group was -0.3 (-0.3) million euros. The Group result is held down

by the 5.6 (5.6) million euros annual depreciation of goodwill. The goodwill was generated when the current main owner acquired the business operations of VTI in 2002. The result before goodwill amortization (EBITDA) was 5.3 (5.3) million euros. Sales expenses increased by 44.7 % due to the new office in Shanghai, China, and an increase in sales resources. During the year, the company made substantial investments in research and development, resulting in an increase in R&D expenses of 29.0 percent over the year before as the company is preparing for increasing competition with new products and technologies.

R&D expenses were 12.3 (9.5) million euros, 16.5 % (15.4 %) of net sales. Expenses grew by 2.8 (2.5) million euros, the main portion of which is due to an increase in R&D personnel. A total of 138 (110) people worked in R&D at year-end.

Net financing costs for the period were 0.8 (1.4) million euros. Interest expenses for 2005 include interest in the amount of 0.2 million euros from construction.

Net working capital increased by 2.8 million euros and amounted to 9.2 (6.4) million euros, 12.2 % (10.3 %) of net sales. Non interest-bearing receivables increased by 3.6 million euros after having been at an exceptionally low level at the end of 2004. In addition, year-end inventory was higher than before as customers were downsizing their own inventories.

Investments and finance

Gross investments by the Group in 2005 were 12.1 (6.6) million euros. Most of the investments were in machinery and equipment improving production performance and capacity, new production technologies and the clean room facilities of the new production plant in Vantaa, Finland.

The construction project to double the office and production facilities in Vantaa, Finland, was completed and the offices taken into use in March 2005. The clean room premises for production will be completed in early 2006 and production will start in late 2006. The premises are leased with a fifteen-year lease agreement.

The Group's solvency ratio at the end of December was 66.1 % (68.2 %).

The Group's interest-bearing liabilities at the end of the period amounted to 19.7 (18.8) million euros, with total net interest-bearing liabilities of 19.1 (15.0) million euros. Liquidity remained good throughout the year.

Market outlook

VTI operates on the microelectromechanical (MEMS) sensors market, which is expected to grow intensely in the near future. The development of the MEMS technology has created and continues to create new uses and applications for sensors. As a pioneer in MEMS technology, VTI has developed its production processes to enable mass production of small-size, low-power and extremely accurate products. The company focuses on segments where these product

features will provide competitive advantage to customers.

VTI has set a target of becoming the market leader in low-g acceleration sensors and pressure sensors. The objective is to reach a significant increase in market share in new applications for the selected businesses, as well as remain the leader in low-g accelerometers for the automotive industry. The growing market is expected to increase competition, which the company regards as a positive and important catalyst for the development of the industry.

Automotive Business Unit

The Automotive Business Unit supplies the automotive industry with motion and pressure sensors, used in vehicle stability control (ESP), anti-lock braking systems (ABS) and various alarm and control applications. Tire pressure measurement (TPMS) and the so-called Run Flat Tire (RFT) are significant new growth areas for VTI sensors. End-users of VTI products include almost all major car manufacturers. VTI's market share of low-g accelerometers for the automotive industry is over 50 %.

Net sales of the Automotive Business Unit rose 16.6 % from the preceding year to 67.6 (58.0) million euros. Demand increased, particularly for vehicle stability control and anti-lock braking systems.

The growth in the Automotive Business Unit is due to the rapid increase of electronic systems in motor vehicles. Especially rapid growth is expected on the market for active safety in the years ahead. VTI is prepared for this situation by having increased its production capacity both in Finland and in Mexico.

During 2005 VTI announced deliveries of accelerometers to the Korean automotive industry as well as Jaguar who uses VTI sensors to measure motor vibration.

VTI's cooperation with automotive industry systems suppliers is based on in-depth cooperation from the product development stages. The company will in 2006 launch a new digital product family aiming at further improvement in vehicle safety and economy.

Sensing Solutions Business Unit

VTI restructured its organization in 2005 to meet the needs of the growing motion and pressure sensor markets. The reorganization supports the company's updated strategy of looking for strong growth and profitability on mar-kets other than the automotive industry in the coming years. Part of this development was the founding of the Sensing Solutions Business Unit.

Sensing Solutions continues the business of the previous Industrial Business Unit. Sensing Solution operates globally in the Sports & Wellness, Medical & Instruments, and Terminals business segments. Sensing Solutions sales are supported by Product Management that develops products fulfilling the needs of customer in these segments. The objective of Sensing

Solutions is to build a strongly growing business for VTI beside the automotive industry business.

Sensing Solutions delivers more and more motion and pressure sensors to areas such as medical equipment and instruments, sports and wellness, and terminals. Examples include pacemakers, GPS equipment, mobile phones, sports watches and diving equipment.

Sensors bring significant added value in these application areas. That is why VTI sees an almost unlimited scope of uses for the products on a worldwide market.

Net sales of Sensing Solutions grew 81.2 % over the preceding year to 7.1 (3.9) million euros. VTI has increased its market share in pacemakers and won significant new customers for other applications.

During 2005 VTI announced an expansion in its sales network through cooperation with the US based Digi-Key and deliveries of accelerometers for the Japanese Shinkansen series bullet trains. Additionally, the company launched a new pressure component, the SCP1000, in 2005. This is a high-performance, small and low-power product. Thanks to these properties, the SCP1000 is expected to reach a strong position on the pressure sensor market in a number of application areas.

The company is preparing for increased demand in Asia through founding a joint venture in Beijing and opening a sales office in Shanghai in August.

Environment

VTI is committed to comply with environmental legislation and regulations concerning environmental protection, such as the ROHS, ELV and WEEE directives. The company's environmental policy has been prepared in accordance with the environmental systems standard ISO 14001:2004. The production facilities in both Finland and Mexico are certified to this standard.

Risk management

VTI's risk management is descirbed in the notes of the financial statements.

Personnel

VTI Group employed 798 (663) people at year-end 2005. The total number of personnel grew by 135 people. Blue-collar staff grew with 61 people, mainly in Mexico. White-collar personnel increased by 74 people, the growth being divided between Mexico, China and Finland. At the end of the year, 519 people worked in Finland, 254 in Mexico, 15 in China, 4 in the US, 5 in Germany and 1 in Japan. The average number of personnel during the year was 754 (635).

Group structure

VTI Technologies Oy is the parent company of the VTI Group. At the end of 2005 the Group consisted of the parent company, VTI Holding Company, Inc. and VTI Technologies, Inc. in the United States, VTI Technologies S.A. de C.V. in Mexico and the joint venture Beijing Orisens Co Ltd in China, founded in 2005.

Shares and shareholders

The share capital of VTI Technologies Oy was 0.5 million euros at the end of December. Extraordinary general meetings on 18 May 2005, 10 June 2005 and 30 November 2005 approved a share capital increase departing from the subscription rights.

The largest shareholder is the EQT III Private Equity Fund.

Directors and CEO

The general shareholders' meeting on 2 March 2005 elected the following full members to the Board of Directors of VTI Technologies Oy: Tuomo Lähdesmäki (chairman), Hasse Johansson (vice-chairman), Thomas von Koch and Juha Lindfors. Joonas Kettunen was elected deputy member. Peter Wallenberg Jr. resigned from the Board that was elected last year. The extraordinary general meetings on 18 May 2005 and 10 June 2005 elected Kurt Hellström and Peter Grafoner, respectively, full members of the Board.

The President and CEO is Hannu Martola.

Proposal of the Board of Directors for Annual General Meeting

Shareholder's equity for VTI Group was 60 243 thousand euros according to balance sheet dated 31.12.2005. Shareholder's equity of VTI Technologies Oy, the parent company, was 58 689 492.50 euros according to balance sheet dated 31.12.2005. VTI Technologies Group or VTI Technologies Oy has no distributable shareholder's equity.

The Board of Directors is proposing that no dividend is paid and that the loss for the financial period, 1 108 thousand euros for VTI Group and 319 613.36 euros for VTI Technologies Oy, is transferred to the accumulated profit/loss account.

Auditors

The Annual General Meeting chose PriceWaterhouseCoopers Oy as the auditors of VTI Technologies Oy. Kari Lydman, Authorized Public Accountant, is the responsible auditor.

Preparations for changeover to IAS/IFRS accounting

The company has been making preparations for a changeover to international financial reporting standards. IFRS is compulsory only for quoted companies but permissible for other

companies. The company is expected to balance its books in accordance with IAS practices for the first time on 31 December 2006.

Events after the review period

VTI restructured its organization in late 2005 to better meet the needs of the growing motion and pressure sensor markets. The restructuring is part of the company's updated strategy of seeking strong growth in new applications outside the automotive industry. As part of this development, the business unit focusing on non-automotive business, Industrial Business Unit (IBU), was renamed Sensing Solutions on 1 January 2006.

Outlook for 2006

VTI has systematically prepared for growth in the past few years. Substantial investments have been allocated to personnel, R&D, production and the customer interface. In 2006, the company will focus on the productivity of these investments through improving operational efficiency. An innovative approach in all areas of business is becoming an increasingly important competitive asset.

The MEMS market is expected to grow rapidly in 2006 based on both the needs of the automotive industry and the strong growth predictions of new application areas. VTI is the largest company specializing solely in the manufacture of MEMS sensors, and its objective is to retain its strong market position.

In 2006 VTI is expected to grow and improve profitably.

Vantaa, Finland, 14 February 2006

Board of Directors

More information
Tiina Hansson, Vice President, Corporate Communications, VTI Technologies Oy, tel. +358 9 8791 8240, mobile +358 40 827 8844.

VTI in brief
VTI Technologies is a forerunner in motion and pressure sensors and the world's leading designer and producer of acceleration sensors in the automotive industry. VTI develops and produces silicon-based capacitive sensors with unique 3D-MEMS (MicroElectroMechanical System) technology, with application areas in acceleration, inclination, shock, vibration, angular rate and pressure measurement.

The company is the market leader in low-g acceleration sensors with over 50% global market share in the automotive industry. VTI's strong market position is based on a good technology basis, innovative products and excellent reliability and performance.

VTI is owned by EQT III private equity fund. VTI's net sales in 2004 totalled 62 million euro and the company had approximately 700 employees. VTI's core activities are located in Finland. The company's international sales and marketing network includes sales offices in Germany, USA, China and Japan. Besides Vantaa, Finland, VTI also has manufacturing operations in Mexico.

APPENDICES (in the attachment)

VTI Appendices (PDF 59 kb)

1. Profit and Loss Account
2. Balance sheet
3. Cashflow
4. Selected financial notes
5. Key performance indicators

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› VTI Technologies › MEMS › Pressure sensors › Motion sensors